# IN THE UNITED STATES DISTRICT COURT FOR THE MIDDLE DISTRICT OF TENNESSEE NASHVILLE DIVISION

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION,	)
Plaintiff,	) CIVIL ACTION NO.
V.	) 3:07-cv-00690
SOUTHEAST WAFFLES, LLC, d/b/a WAFFLE HOUSE,	)
Defendant.	)

### CONSENT DECREE

This lawsuit was filed June 29, 2007, by the Equal Employment Opportunity Commission (hereinafter referred to as "the Commission") against SouthEast Waffles, LLC d/b/a Waffle House (hereinafter referred to as "SouthEast Waffles") under Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. Section 2000e, et seq. (hereinafter referred to as "Title VII"). The Complaint in this lawsuit claims that since at least approximately June 15, 2005, SouthEast Waffles has engaged in unlawful employment practices at its restaurant located at 3304 Dickerson Pike in Nashville, Tennessee (hereinafter referred to as the "Facility"), in violation of Section 703(a) of Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e-2(a), by subjecting Ina Cowan, Paula Michelle Clark, Sandy McEwen, and Tammy Walker (hereinafter referred to as "the alleged discriminatees") to sexual harassment because of their sex. SouthEast Waffles disputes the claims.

The Commission and SouthEast Waffles have agreed to this Consent Decree to settle all of the claims involved in this lawsuit.

The Court has reviewed the terms of this Decree in light of the applicable laws and regulations, and hereby approves this Decree. **THEREFORE**, it is hereby **ORDERED**:

### I. JURISDICTION

The United States District Court for the Middle District of Tennessee, Nashville Division, has jurisdiction over the parties and subject matter of this lawsuit, and will retain jurisdiction over this Decree for purposes of enforcement and dispute resolution, except that the United States Bankruptcy Court for the Middle District of Tennessee shall have jurisdiction over all matters within its core jurisdiction as defined in 28 U.S.C. § 157(b)(2).

## **II. DISCLAIMER**

Neither the negotiation of nor agreement to this Decree is an admission or acknowledgment by SouthEast Waffles that any of its employees, officers, directors, or agents have violated Title VII.

#### III. DURATION OF DECREE

This Decree will be binding on the parties to this lawsuit for three years after the date of its entry by the Court. This Decree will expire by its own terms at the end of that period without the necessity of further judicial proceedings or orders of this Court.

### IV. INJUNCTIVE RELIEF

SouthEast Waffles, its supervisors, managers, officers, directors, agents, and successors are enjoined from discriminating against employees because of their sex by

subjecting them to sexual harassment, and from discriminating against employees because they have opposed employment discrimination made unlawful by Title VII or participated in an investigation or proceeding under Title VII.

#### V. INDIVIDUAL REMEDIES

SouthEast Waffles agrees that the Commission may file unsecured claims in its Chapter 11 bankruptcy action totaling \$45,000 for the alleged discriminatees, allocated into three individual amounts as decided by the Commission, and SouthEast Waffles agrees that it will not oppose those unsecured claims in the bankruptcy action.

## **VI. TRAINING**

Within forty-five days after receiving a copy of this Decree entered by the Court, SouthEast Waffles will provide in-person training, lasting at least one hour, for each person who is employed at the Facility concerning unlawful harassment. SouthEast Waffles will provide in-person training, lasting at least two hours, for all supervisors and managers employed at the Facility and who supervise the Facility, concerning their responsibilities when they see or hear unlawful harassment occurring and when complaints about unlawful harassment are received, as well as their responsibilities not to discriminate against employees for opposing unlawful employment practices. Within thirty days after the completion of this training, SouthEast Waffles will submit a report to Carson Owen, EEOC, 1407 Union Ave., Suite 900, Memphis, TN 38104, confirming that this training has occurred.

### VII. MODIFICATION OF POLICIES PROHIBITING HARASSMENT

SouthEast Waffles will change each of its policies prohibiting unlawful harassment, and its workplace poster prohibiting unlawful harassment, to contain the

## following language:

If you feel you have been harassed by anyone at work, report the harassment to your supervisor. We strongly encourage you to <u>also</u> report the harassment to the hotline, (insert the phone number), to help us make sure that your complaint is dealt with properly. If your supervisor is the harasser, or if your supervisor is not stopping the harassment you reported, then report the harassment to your supervisor's manager, and again we strongly encourage you to <u>also</u> report the harassment to the hotline, (insert the phone number), to help us make sure that your complaint is dealt with properly.

Within forty-five days after receiving a copy of this Decree entered by the Court, each person who is employed at the Facility will be required to read and sign a copy of this policy, and will be given a copy of the policy. Within thirty days after meeting this requirement, SouthEast Waffles will submit a report to Carson Owen at the address indicated above, confirming that this requirement has been met. Thereafter, whenever a new employee is hired at the Facility, he or she will be required to read and sign a copy of this policy, and will be given a copy of the policy.

### VIII. CORRECTIVE ACTION

SouthEast Waffles agrees that District Manager Bill Navel will be suspended for two weeks without pay for his handling of the sexual harassment complaints that were brought to his attention concerning John Norman, which the EEOC contends to have been improperly handled. Within forty-five days after SouthEast Waffles receives a copy of this agreement with all signatures on it, SouthEast Waffles will submit documents to Carson Owen, at the address indicated above, confirming that this suspension has occurred.

### IX. REPORTING

SouthEast Waffles will submit a report to Carson L. Owen, at the address indicated above, covering the six-month period after the entry of this Decree, and every six-month period thereafter during the duration of this Decree. Each report will describe all complaints received from persons working at the Facility concerning sexual harassment, including the name, home address, home telephone number, and cellular telephone number (if any) of each person who complained, the nature of the complaint, what action, if any, was taken in response to the complaint, and, if no action was taken, an explanation of why no action was taken.

SouthEast Waffles will have up to 30 days after the end of each six month period to submit this report, and the Commission will have up to 30 days after receiving each report to raise any concerns about that report.

### X. POSTING OF NOTICE

Within ten days after receiving a copy of this Decree entered by the Court, SouthEast Waffles will post the notice which is attached as Attachment A to this Decree for thirty days in conspicuous places at the Facility where notices to employees are customarily posted. Within sixty days after receiving a copy of this Decree entered by the Court, SouthEast Waffles will send a letter to Carson Owen, at the address indicated above, verifying that this requirement has been met.

### XI. ATTORNEY'S FEES AND COSTS

The Commission and SouthEast Waffles will each bear their own attorney's fees and costs incurred in this lawsuit.

SO ORDERED this day of	, 2009.
	ALETA A. TRAUGER U. S. DISTRICT JUDGE
Consented to on behalf of the respect	tive parties:
FOR PLAINTIFF:	FOR DEFENDANT:
RONALD COOPER General Counsel  JAMES LEE Deputy General Counsel  GWENDOLYN YOUNG REAMS Associate General Counsel	s/Charles Yancey Charles Yancey Assistant Vice-President for Human Resources SOUTHEAST WAFFLES, LLC, d/b/a WAFFLE HOUSE
s/Faye A. Williams FAYE A. WILLIAMS TN Bar No. 11730 Regional Attorney  s/Deidre Smith DEIDRE SMITH TN Bar No. 18499 Supervisory Trial Attorney	s/Barbara D. Holmes BARBARA D. HOLMES TN Bar No. 12121  HARWELL HOWARD HYNE GABBERT & MANNER, P.C. 315 Deaderick Street, Suite 1800 Nashville, Tennessee 37238 Telephone: (615) 251-1097  Attorneys for Defendant
s/Carson L. Owen CARSON L. OWEN TN Bar No 09240	

EQUAL EMPLOYMENT OPPPORTUNITY COMMISSION

1407 Union Avenue, Suite 900 Memphis, TN 38104 Telephone: 901-544-0133

Senior Trial Attorney